



Vermont Developmental Disabilities Council

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TO: House Appropriations Services Committee (Rep. Heath, *Chair*; Rep. Johnson, *Vice Chair*; Rep. Helm, *Ranking Member*; Rep. Fagan; Rep. Keenan; Rep. Manwaring; Rep. Miller; Rep. O'Brien; Rep. Pearce; Rep. Toll, *Clerk*; and Rep. Winters.)

FROM: Karen Schwartz, Executive Director

DATE: January 15, 2013

RE: FY2013 Budget Adjustment Bill ~ Developmental Services Request

Thank you for this opportunity to speak about the budget adjustment request made by the Agency of Human Services and Department of Disabilities, Aging and Independent Living.

I had written to you in November on behalf of a coalition of advocacy organizations about the developmental services funding shortfall that was announced. We were very glad to hear that budget adjustment was going to be pursued, and relieved that \$3 million was requested to meet part of the shortfall.

In testimony last week both AHS Secretary Racine and DAIL Commissioner Wehry described an increase in people and populations with significant needs, but have not been clear about whether the adjustment request meets people's needs for the rest of the year.

We are particularly concerned that the language requested at Section 87 expands the Department's powers, and will alter the current process for making changes to the System of Care Plan by authorizing the Department to act without public input:

Sec. 87. Sec. E.333 of No. 162 of the Acts of the 2011 Adj. Sess. (2012) is added to read:

Sec. E.333 Disabilities, aging, and independent living- developmental services

(a) The department of disabilities, aging, and independent living shall manage the developmental services program within the amount appropriated in fiscal year 2013 and shall take appropriate steps to modify the State System of Care Plan if the needs of those who meet the funding criteria set forth in the State System of Care Plan exceed the appropriated amount. Modifications to the State System of Care Plan may include tools such as revising the definition of imminent risk to the individual's personal health or safety; employing a rescission, as currently authorized by the State System of Care Plan; and exploring other changes to the System of Care Plan to manage the program to the appropriated funds.

EXPLANATION: This language is necessary for the department of disabilities, aging, and independent living to manage to the appropriated funds.

The testimony has been that there are sufficient funds to meet needs through the rest of FY2013. That is all the more reason not to adopt new policy, in haste, through adjustment.

I also ask that you consider how far the System of Care Plan's priorities have already been rolled back. (Attached.) Most describe dire situations involving health and safety of the person or the public. We are talking about people who have lost their primary caregiver. People who cannot be left alone. Imminent risk to a person's health or safety cannot be redefined any more narrowly if we are going to prevent harm to the most vulnerable people.

Agency budgets are aggregates of individual budgets, so we are not talking about "rescissions" to agencies. We are talking about people who have experienced four rounds of cuts in the last 5 years. People who have lost supports to go out in the community. The percentage of people working has dropped from 42% to 38%, and hours worked per week from 14 to 8.

This year's projected shortfall triggering the need for budget adjustment is due in part to inadequate needs assessment. The current System of Care Plan was not developed based on a thorough needs assessment as required by the Vermont Developmental Disabilities Act. It should have considered demographic trends like

- People living longer (Estimates are annually 133 are born, and 33 die.)
- Aging family caregivers who can no longer provide care.

FY2013 new caseload funding was based on a 3 year average that did not include recent trends. It also appears that FY2013 funding is being stretched to cover shortfall from the last 2 months of FY2012 as well – a total of 14 months.

I have heard that Vermont's system is "not sustainable". We need to talk about sustaining people's lives as part of our community, and recognize that there are new people with real needs. In that context you also need to consider that only 19% of people who meet Vermont's definition of developmental disability are being served. Our system of care priorities have narrowed over the last 10 years, barring people who are eligible from accessing services.

I would also like to point out that \$1.5 million is being requested for people with severe functional impairments [SFI] leaving Corrections, or who represent Complex Community Cases [CCC], as part of the developmental services budget. We applaud coverage for a new population of people with significant needs by the Agency of Human Services. However, it is an inter-departmental project that involves DAIL, Department of Mental Health and Corrections for people not otherwise eligible for services. It is not transparent and engenders confusion to add funding for people who are not eligible for developmental services to DS base funding, especially when cuts to people who are eligible are being considered.

This year marks the 20th anniversary of the closing of the Brandon Training School. At that time a promise was made to support people with intellectual disabilities to have full lives in the community. Now is the time to stabilize the system of care following years of cuts by ending constant changes to the system of care plan; restoring the level of quality assurance; and ensuring that decisions are based on a current needs budget that is grounded in a thorough assessment of people's needs.

We deeply appreciate the budget request for \$3 million. The next step is finding out what people's needs are for the rest of FY2013, and ensuring that the budget adjustment matches. That is what will sustain people's lives in the community.

Thank you for your consideration.

**FY2012-14 Vermont Developmental Services
System of Care Plan Funding Priorities**

1. **Health and Safety:** Ongoing, direct supports and/or supervision are needed to prevent imminent risk to the individual's personal health or safety. [Priority is for adults age 18 and over.]
 - a. "Imminent" is defined as presently occurring or expected to occur within 45 days.
 - b. "Risk to the individual's personal health and safety" means an individual has substantial needs in one or more areas that without paid supports put the individual at serious risk of danger, injury or harm (as determined through the needs assessment; see *Attachment E* for the needs assessment.)
 2. **Public Safety:** Ongoing, direct supports and/or supervision are needed to prevent an adult who poses a risk to public safety from endangering others. [Priority is for adults age 18 and over.] To be considered a risk to public safety, an individual must meet the Public Safety Funding Criteria (see Section Three, page 14).
 3. **Preventing Institutionalization – Nursing Facilities:** Ongoing, direct supports and/or supervision needed to prevent or end institutionalization in nursing facilities when deemed appropriate by Pre-Admission Screening and Resident Review (PASRR). [Priority is for children and adults.] Services are legally mandated.
 4. **Preventing Institutionalization – Psychiatric Hospitals and ICF/DD:** Ongoing, direct supports and/or supervision needed to prevent or end long term stays in inpatient public or private psychiatric hospitals or end institutionalization in an ICF/DD. [Priority is for children and adults.]
 5. **Employment for High School Graduates:** Ongoing, direct supports and/or supervision needed for a high school graduate to maintain employment upon graduation. [Priority for adults age 19 and over.]
 6. **Parenting:** Ongoing, direct supports and/or supervision needed for a parent with developmental disabilities to provide training in parenting skills to help keep a child under the age of 18 at home. Services may not substitute for regular role and expenses of parenting; maximum amount is \$7,800 per person per year. [Priority is for adults age 18 and over.]
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COMPILATION OF FY2013 BUDGET ADJUSTMENT REQUEST **~ DEVELOPMENTAL SERVICES**

1. From *FISCAL YEAR 2013 BUDGET RECOMMENDED ADJUSTMENT* Spreadsheet, at Page 4

Disabilities, Aging and Independent Living
Developmental Services
B.333

Global Commitment Fund 3,775,754

Agency neutral transfer to DCF for Individual Service Plans (ISB); additional funding for Severely Functionally Impaired (SFI) and Complex Community Cases (CCC) pressure (\$1.5M); funding for additional Developmental Services caseload pressures (\$3M); agency neutral transactions for IFS; increase in contract fee for DS clients for 5 months.

2. FROM STATE OF VERMONT FISCAL YEAR 2013 BUDGET ADJUSTMENT REQUEST DEPARTMENT OF DISABILITIES, AGING AND INDEPENDENT LIVING (Presented by DAIL Commissioner Susan Wehry on Jan. 6, 2013)

DAIL OVERVIEW FOR BAA-

Total Net Increase for BAA (all gross \$'s)	\$ 3,817,979
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This includes:

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| 1) AHS GF Budget Neutral items (gross \$'s) | \$ (303,920) |
| 2) DII – Internal Service Fund increase | \$ 46,930 |
| 3) Increased DS Waiver caseload need | \$ 3,000,000 |
| 4) ARIS ISO Contract – DS fee increase | \$ 34,000 |
| 5) SFI Pressure (\$459,031 included in #1)
(\$1,500,000 - \$459,031) | \$ 1,040,969 |

Developmental Services (DS)

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| 1) Transfer to DCF (Individual Service Agreements, which are initially budgeted in DCF But managed and expended by DAIL) Net zero AHS Impact. | \$ (500,000) |
| 2) SFI/CCC (severely functionally impaired & complex Community cases approx. 15 cases | \$ 1,500,000 |
| 3) DS growing Caseload need (106 x \$28,302) | \$ 3,000,000 |
| 4) ARIS ISO Contract – DS fee increase \$4 increase
\$32 per client to \$36, approx 1700 DS clients effective 2/1/13 – annual increase \$81,600 | \$ 34,000 |
| 6) Integrated Family Service (IFS) AHS budget neutral Transfers to other Departments | \$ (258,246) |
| Total adjustments in this section | \$ 3,775,754 |

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